GOVERNMENT OF INDIA
POWER
LOK SABHA

UNSTARRED QUESTION NO:1498
ANSWERED ON:11.12.2003
NEW POWER POLICY FOR PUBLIC SECTOR COMPANIES
CHANDRA NATH SINGH;SADASHIVRAO DADOBA MANDLIK

Will the Minister of POWER be pleased to state:

(a) whether the Government has decided to implement no purchase preference policy for Public Sector Companies in the power sector;

(b) if so, the details thereof; and

(c) the main objectives behind the new power policy?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRIMATI JAYAWANTI MEHTA)

(a) to (c) : As per the existing instructions, the policy on purchase preference scheme for products and services of Central Public Sector Enterprises will be operative till 31.3.2004. Meanwhile, in order to bring down the cost of power through enhancing the environment for competition at the bidding stage for power projects, the Government, pending a general review of the scheme, have considered the overall position and authorized the Ministry of Finance to exempt such proposals of the Ministry of Power from purchase preference on case to case basis as and when needed.